

W-01004B-08-0508

ORIGINAL
ARIZONA CORPORATION COMMIS
UTILITY COMPLAINT FORM



4765

Investigator: Carmen Madrid

Phone:

Fax: ()

Priority: Respond Within Five Days

Opinion **No.** 2008 72214

Date: 10/17/2008

Complaint Description: 08A Rate Case Items - Opposed
 N/A Not Applicable

Complaint By: **First:** **Last:**
 Jerry **Wilmot**

Account Name: Jerry Wilmot

Home: (000) 000-0000

Street:

Work: (000) 000-0000

City: Cottonwood

CBR:

State: AZ **Zip:**

is:

Utility Company: Ash Fork Water Service(dba Ash Fork Development Assoc., I

Division: Water

Contact Name: n/a

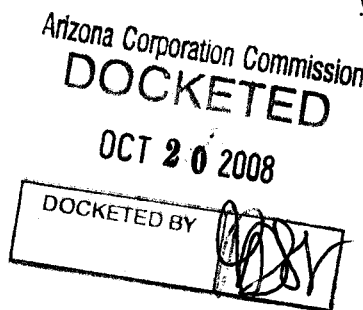
Contact Phone:

Nature of Complaint:

Jerry Wilmot

October 11, 2008

Arizona Corporation Commission
1200 W. Washington Street
Phoenix, AZ 85007



ARIZONA CORPORATION COMMISSION
DOCKET CONTROL

2008 OCT 20 P 2:06

RECEIVED

RE: Application for adjustment in rates by Ash Fork Development Association, Inc., DBA Ash Fork Water Service

Dear Personnel:

I am retired with considerable small-business experience and am a (very) modest investor in some utilities including water utilities. I do not have any ownership in nor do I know anyone who has any ownership in Ash Fork Development Association, Inc. I am simply a residential customer of Ash Fork Water Service. However, I would like to comment on the requested rate increase of the corporation which we customers know as Ash Fork Water,

Considering that the current rates were established in August 2004, and in view of increasing costs Ash Fork Water is incurring, I generally support the increase according to the schedule of proposed charges. I especially support the more significant increases in service line and meter installation charges, which are generally one time charges but are essential in helping offset the cost of infrastructure. Most increases for water usage also seem reasonable.

Nevertheless, I would like to comment on the 15% increase for water obtained at the bulk water station

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(previous rate \$8.00/1 000 gallons¹ proposed rate being \$9.20/1 000 gal) Since you are likely unfamiliar with this arrangement, I'll explain it briefly. Numerous individuals within a large radius of Ash Fork haul their own water. Very deep wells are cost prohibitive, and all such persons live on solar/wind/generator power, with most not well off financially. Living ten miles from Ash Fork, with 80% of that being very rough non-county-maintained dirt (mud) roads, a twenty mile round trip in an older truck that's hauling its weight capacity in water on the return trip costs about \$10.00 in gas (at 7-1/2 miles per gallon, typical when crawling at 25 mph or less in 2' gear with a load in an older truck, and with gas at \$4/gallon -it is quite high in Ash Fork). These water-hauler users are already being super conservative! Higher water rates will not reduce their usage but simply add to the financial burden of obtaining water. The water can be obtained 24 hrs/day from Ash Fork Water by stopping by the bulk dispensing station, entering an account code on the keypad, and pumping water from a 1-1/2" hose. Other than maintaining the simple equipment, there is no additional expense to Ash Fork Water beyond the regular cost of pumping, treating and pressurizing the water.

In view of the above, and considering that the Customer Notification letter stated "rates... ultimately approved by the commission may be higher or lower than ... requested", I urge the Commission to not exceed the 15% proposed increase for bulk water. In fact, I recommend* that the increase for bulk water be limited to 12.5%, which would result in an increase from \$8/1000 gallons to \$9/1000 gallons.

Very Sincerely,
Jerry Wilmot
End of Complaint

Utilities' Response:

Investigator's Comments and Disposition:

October 17, 2008

Jerry Wilmot

RE: ASH FORK DEVELOPMENT ASSOCIATION INC. DBA
ASH FORK WATER SERVICE

DOCKET NO. W-01004A-08-0508

Dear Mr. Wilmot,

Your opinion regarding the Ash Fork Development Association, Inc. dba Ash Fork Water Service ("Ash Fork") rate case will be placed on file with the Docket Control Center of the Arizona Corporation Commission ("Commission") to be made part of the record. The Commission will consider your comments before a decision is rendered in the Ash Fork application.

The concerns raised in letters received from customers will assist the Commission in the investigation and review of the rate application. The Commission's independent analysis of the utility and its rate request attempts to balance the interest of the utility and its customers.

Commission Staff is very sensitive to the burden that high utility rates can place on the consumer, and though constitutionally required to allow a fair return to the utility, does everything within its authority to protect the consumer.

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Staff appreciates your comments and the interest taken on the proposed rate increase. If you should have any questions relating to this issue, please call me toll free at (800) 222-7000.

Sincerely,

Carmen Madrid
Public Utility Consumer Analyst
Utilities Division

Filed in Docket No. W-01004B-08-0508
End of Comments

Date Completed: 10/17/2008

Opinion No. 2008 - 72214
